

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

April 26, 2021

9:06 a.m.

MEMBERS PRESENT

Senator Roger Holland, Chair
Senator Shelley Hughes
Senator Peter Micciche
Senator Tom Begich

MEMBERS ABSENT

Senator Gary Stevens, Vice Chair

COMMITTEE CALENDAR

PRESENTATION: "PROJECTING ALASKA'S EDUCATION NEEDS" BY THE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

DAN ROBINSON, Research Chief
Labor Research and Analysis
Department of Labor and Workforce Development (DOLWD)
Juneau, Alaska

POSITION STATEMENT: Delivered a PowerPoint on Alaska's Education Needs.

LOUISE DEAN, Executive Director
Alaska Workforce Investment Board (AWIB)
Department of Labor and Workforce Development (DOLWD)
Anchorage, Alaska

POSITION STATEMENT: Delivered a PowerPoint on Department of Labor Programs.

ACTION NARRATIVE

[9:06:59 AM](#)

CHAIR ROGER HOLLAND called the Senate Education Standing Committee meeting to order at 9:06 a.m. Present at the call to order were Senators Hughes and Chair Holland. Senators Begich and Micciche arrived shortly thereafter.

**Presentation: "Projecting Alaska's Education Needs" by the
Department of Labor and Workforce Development**

[9:07:39 AM](#)

CHAIR HOLLAND announced the business before the committee would be a presentation "Projecting Alaska's Education Needs" by the Department of Labor and Workforce Development.

He stated that the purpose of the hearing is to identify any gaps in the current system.

[9:09:26 AM](#)

DAN ROBINSON, Research Chief, Labor Research and Analysis, Department of Labor and Workforce Development (DOLWD), Juneau, Alaska, delivered a PowerPoint on Alaska's Education Needs on school-age population projections, labor projections and DOLWD's partnership with the Department of Education and Early Development (DEED), the University of Alaska (UA), the Alaska Commission on Postsecondary Education (ACPE) and the Alaska Mental Health Trust Authority.

[9:10:42 AM](#)

MR. ROBINSON reviewed slide 2, Alaska's school-age population, 1980-2010, depicting a line graph that shows that the school-age enrollment peaked in 2000 and has decreased by 10,000 students in the last 20 years. He offered to elaborate on the reasons for the decline.

SENATOR HUGHES asked whether the data was also broken down regionally by communities. She asked whether some areas were breaking the trend.

MR. ROBINSON responded that slide 4 will cover the population trends. He commented that the Mat-Su Borough is the only place that bucks the trend.

[9:13:52 AM](#)

MR. ROBINSON reviewed slide 3, projected school-age population, 2020-49, consisting of line graph projections. The red dotted

line represents the high-case, the blue solid line the mid-range, and the green line the low-case projections. First, the projections vary because the future is unknown. The demographics were produced in April 2020. Even the long-term projections are done every two years and the midline already looks too optimistic. He explained that due to recent history, birth rates and negative net migration among family-age residents, the blue line should be lower.

[9:15:17 AM](#)

SENATOR BEGICH stated that the next projection would be made in April 2022. He stated that every 10,000 people represents approximately \$25 million. For example, this year the total Base Student Allocation was adjusted down by \$25 million. He asked what assumptions were used for the low-case projection as shown by the green-dotted line.

MR. ROBINSON answered that the biggest difference was the assumptions used for migration. Alaska has experienced negative net migration for eight consecutive years, which is unprecedented. Prior to this, the state has not experienced a period of more than four consecutive years of negative net migration.

[9:16:44 AM](#)

SENATOR BEGICH asked what assumptions were made for net migration for the green dotted line.

MR. ROBINSON offered his belief that the assumption used for the green dotted line was negative .1 percent. The blue line used negative 7 to reflect recent history. However, it was put back to historical averages, which was negative .1 percent. He offered to double check the assumptions and report back any discrepancies. He pointed out that the green line was not out of the realm of possibility because the eight consecutive years of negative net migration has never previously happened. However, in the late 80s the state experienced four consecutive years of negative net migration. He anticipated that since nothing else has changed, the state would add a ninth consecutive negative net migration year in 2021.

[9:17:55 AM](#)

CHAIR HOLLAND pointed out that the projections for 2050 show the low case projections, reflected by the dotted green line would bring the state's population down to the 1980 population level as the worst-case scenario.

[9:18:15 AM](#)

MR. ROBINSON answered it was a little higher than the 1980 population. However, he cautioned that while the projections look smooth, the reality is that the actuals will not be smooth. He suggested members should not put much emphasis on the specific low or high point projections except as a reminder that the future is unknown. He said any actions taken will affect the future.

[9:18:47 AM](#)

SENATOR MICCICHE directed attention back to slide 2. He pointed out that the state's population has been steady or falling since the mid-90s. He asked whether the population would normalize at some point. He recalled that the state has been in boom and bust periods. He asked whether there were other states that continually experience declining population. He asked if the chart spanned from the 1950 to 2020, whether the chart would reflect more of a roller coaster effect.

[9:20:02 AM](#)

MR. ROBINSON remarked that Alaska is fascinating. He said Alaska is the third youngest state in terms of population. This means Alaska is going through some things that other states went through a long time ago. For example, Alaska had the early statehood pre-oil period, then the 70s and 80s boom and bust, followed by a remarkable 20 year period of less boom and bust. In fact, Alaska did not experience some national recessions. He cautioned against assuming any normalization of the trend lines. He emphasized that there are usually fairly specific reasons for growth or no-growth periods. Typically, this relates to the number of jobs the state economy produces during that time.

[9:21:26 AM](#)

MR. ROBINSON stated that this slide 4 reviews a Trends March 2020 article that reviews the details of population trends for school-age children. He pointed out that Mat-Su is the only borough whose population has grown since 2000. This article provides substantial information to answer some of the questions Senator Hughes raised.

[9:22:41 AM](#)

SENATOR HUGHES asked if the increase was a general increase in the school-age population or if this was due to a greater concentration of children in Mat-Su families. Further, she related that she heard anecdotally that a number of families are not happy with the Anchorage School District. Thus, she

anticipates that more families will be moving to the Mat-Su Borough (MSB).

[9:23:45 AM](#)

MR. ROBINSON responded that the department has detailed age-based population estimates. He was unsure if the data shows a specific age concentration in the Mat-Su that differs from the statewide trends. The main thing affecting Mat-Su growth is housing, he said. In addition, the Mat-Su Borough understands its relationship and connection to the Anchorage job market since a large percentage of residents work in Anchorage or on the North Slope. He reported that Mat-Su unemployment claims have gone up. He cautioned against thinking of MSB as an island since it is affected by what happens in the rest of state.

[9:25:22 AM](#)

SENATOR HUGHES asked the department to track the Mat-Su trends.

[9:25:38 AM](#)

MR. ROBINSON pointed out that Mat-Su has less expensive housing and more available land. Since Anchorage has limited options for land, families in particular are attracted to lower-cost housing.

[9:26:04 AM](#)

SENATOR BEGICH commented that the Anchorage School District (ASD) has done a remarkable job under a former Mat-Su superintendent. In fact, ASD's graduation rate has improved to nearly 90 percent. He acknowledged that the cost of housing is ridiculous. For example, a small house in his district sold for \$500,000, which is certainly not affordable.

[9:26:54 AM](#)

SENATOR HUGHES stated that part of her district is in ASD. She acknowledged the district has excellent teachers. She said she heard from realtors that some families are moving out.

[9:27:09 AM](#)

SENATOR MICCICHE remarked that the Kenai Peninsula Borough School District outperforms Anchorage and Mat-Su. He offered his view that Mr. Robinson's point is that the Kenai Peninsula is 140 miles from Anchorage. The Mat-Su Valley is in close proximity to Anchorage. The growth in the Mat-Su Valley is not only related to the quality of life. He said he reads the monthly Alaska Economic Trends. He asked how the state can turn the trend around. The economics of education are difficult when the population is decreasing. He asked if the Department of

Labor and Workforce Development (DOLWD) evaluates factors that could improve outcomes to remain flat at worst or possibly enjoy economic growth in the future.

MR. ROBINSON responded that economists have studied what is driving the net migration trend. He identified the perception about the state's instability as the leading cause for net migration. People move from Alaska for a variety of reasons but families with children in K-12, in particular, are attuned to the quality of schools, the cost of living and crime. When teachers experience job uncertainty and face layoffs and the state contemplates budget cuts to its university, it leads to uncertainty.

9:30:44 AM

MR. ROBINSON turned to slide 5, ten-year industry and occupation projections. He explained that the department assesses long-term industry and occupational projections. DOLWD's Alaska Occupational Forecast website is the most visited one, which he hoped was because the information is useful to schools and training programs. The forecast focus is on trends in occupations so training programs can be tweaked. He said it is more important to focus on 2028 projections than to review what happened in 2018 due to the effects of COVID-19 on the projections. He anticipated that the long-term effects of COVID are unknown. He suggested that people's tendency is to exaggerate COVID-19 effects. The pandemic probably accelerated existing trends, he said.

9:32:41 AM

MR. ROBINSON turned to slide 6, "Which jobs will be especially good?" He directed attention to the heading of growth, separation and total openings under the average annual openings 2018-28. People want to focus on emerging occupations and which ones are growing, but by far the largest number of job openings occur due to separations. Separations occur when people retire, decide to do something else, or move. Slides 6-7 show jobs with higher than average growth and earnings. He directed attention to the information in the Trends reports: <https://live.laborstats.alaska.gov>; and on DOLWD's website.

9:34:20 AM

SENATOR BEGICH commented that the U.S. Census Bureau will announce its figures. He asked if DOLWD will do a reset of its numbers based on the U.S. Census counts or if the department maintains separate figures.

MR. ROBINSON responded that DOLWD's demographic unit works closely with the U.S. Census on population figures. For the occupational data DOLWD has Alaska-specific data that is more comprehensive and detailed than what comes from the U.S. Census Bureau. Employers are required to file quarterly contribution reports under state unemployment insurance laws that include worker occupations.

[9:35:43 AM](#)

SENATOR MICCICHE estimated that the mean was 4.5 percent based on his quick scan of the columns. He said that seems higher than the mid-case scenario for the school-age population. He elaborated that the highest increases appeared to be from the construction trades. He pointed out that those two things don't seem to fit.

[9:36:15 AM](#)

MR. ROBINSON answered that those were figured separately. He stated that the overall growth rate is 5.5 percent so there is some growth. The DOLWD does not try to reconcile them with any precision. Instead, the department broadly discusses these with the economist who tracks the job numbers and population with the demographers to make sure that their assumptions were not wildly different or drawing different conclusions from the large data sets. However, part of what would reconcile the lack of growth in school-age population in the projections and the slight growth less than a percent a year over a ten-year period is the age structure. First, the school-age population does not work. Second, the data sets are different. However, he is on to something because one of them will eventually be a little more accurate than the other. Job holders with children will create an increase in the school-age population.

[9:37:47 AM](#)

CHAIR HOLLAND noted these presentations are available on BASIS under the Senate Education Committee meeting of 4/26/21.

[9:38:10 AM](#)

MR. ROBINSON turned to slides 8-9, "A few examples of how we work with DEED and UA." He explained that the department works closely with the Department of Education and Early Development (DEED) and the University of Alaska (UA). These slides show that DOLWD can track a student population and identify whether the high school graduates reside in Alaska and if so, where they are working. He explained that Alaska is data rich partly because people apply for permanent fund dividends (PFDs), which identifies Alaska residents still living in Alaska. The pie

changes on slide 8 illustrate the information DOLWD can identify, including which students complete their education in Alaska or elsewhere.

[9:39:36 AM](#)

SENATOR BEGICH related that the PFD forms do not ask about education levels. He asked how DOLWD obtains the information. He directed attention to the pie chart on page 8 that shows 17 percent was unknown but the pie chart for 2015 doesn't include them. Instead, it breaks out the students enrolled in college or working.

MR. ROBINSON agreed that he is correct that the department does not know where everyone is located. He explained that DOLWD matches graduates to Alaska wage data and students enrolled or graduating from the University of Alaska. The department does not have the ability to track students who leave Alaska who are not enrolled in a college in the Lower 48.

[9:41:39 AM](#)

SENATOR BEGICH related his understanding that the 2015 pie chart reports on the known status of the 2005 graduates.

MR. ROBINSON acknowledged that there is a group of unknowns from 2005 who disappear from the 2015 pie chart.

[9:42:40 AM](#)

SENATOR HUGHES asked whether DOLWD could break out the graduates who are working in 2005 and reflect the types of jobs and wages for these high school graduates in 2015.

MR. ROBINSON responded that the department could provide a lot of detailed information about the types of jobs and wages the 2005 high school graduates hold in 2015 for residents. DOLWD could identify graduates if they are in Alaska and applied for PFDs. The department does not have information on whether they receive public assistance.

[9:44:01 AM](#)

MR. ROBINSON said slide 9 highlights a few examples of DOLWD's work with DEED and UA to answer basic questions about their programs. The left side of slide 9 shows the University of Alaska (UA) graduates that work in the oil and gas industry. He directed attention to the "Process Tech" column. He stated that 89 percent of the graduates of that program showed up in the Alaska workforce within a year. This provides data for nine university programs. He directed attention to the right-hand

column that showed 93.5 percent of working college graduates are Alaska residents. He emphasized that people who receive their education in Alaska and are hired for jobs in Alaska, are far more likely to remain Alaska residents. Alaska has always had high wage jobs but about 30 percent of high wage jobs in gas and oil are held by nonresidents. He emphasized that the oil and gas industry is a worldwide industry and Alaska has a relatively small population. He said if the state cares about maximizing the benefits for Alaska, it makes sense to educate its workers in Alaska.

9:46:15 AM

SENATOR BEGICH commented the last set of slides that show collaboration will be useful for a number of bills. He commended Mr. Robinson for tracking that data.

MR. ROBINSON responded that he enjoys hearing that the information is useful and used by policy makers.

9:46:56 AM

SENATOR MICCICHE asked if DOLWD has ever considered conducting exit surveys for people leaving the state. He said his general sense is that the state would like the current population to remain as residents. Many of these people are productive residents but they see greater opportunities elsewhere. He asked Mr. Robinson whether he has any ideas for the legislature about how to keep some of the "best and brightest" in the state.

MR. ROBINSON responded that the U.S. Census has some data on why people move. He reported that it is not that there is a big decrease in people leaving since those figure have declined in the last five years but the number of people coming to the state has declined much more. He offered his view that something changed in the last eight years that made Alaska less attractive to newcomers.

9:49:00 AM

LOUISE DEAN, Executive Director, Alaska Workforce Investment Board (AWIB), Department of Labor and Workforce Development (DOLWD), Anchorage, Alaska, stated the PowerPoint would highlight the many state and federal grant programs AWIB oversees. She said AWIB is the lead state workforce development agency. The board oversees the training programs in the state.

9:49:44 AM

MS. DEAN paraphrased slide 2, State Funded Training Programs, which read:

The State Training and Employment Program (STEP)

- STEP funded by a % of employee contributions to unemployment insurance training fund.
- Training providers apply for STEP funding through a competitive process.
- In FY 21 there were 35 STEP grantees with a total award of \$5,512,765.

Alaska Construction Academy (ACA)

- The construction academies are funded by general fund dollars determined by the legislature.
- In FY 21 there were 8 construction academies with a total award of \$1,754,542.

Alaska Technical and Vocational Education Program (TVEP)

- The percentage awarded to recipients is determined by the legislature and is in statute.
- In FY21 there were seven TVEP recipients with a total award amount of \$4,350,000. (The board receives seven of 10 awards.)

MS. DEAN said the three grantees are not administered through AWIB: the University of Alaska, Southwest Alaska Vocational and Education Center (SAVEC) and the Alaska Vocational Technical Center (AVTEC) but receive direct allocations.

[9:51:57 AM](#)

MS. DEAN presented slide 3, Federally Funded Training Programs:

Workforce Innovation and Opportunity Act (WIOA) Youth Program

- Providers receive funding through a competitive grant process.
- In FY21 there were 13 WIOA Youth providers.
- The amount of the awards totaled \$3,736,854.

National Emergency Dislocated Worker Program

- In FY21 the NEG provided \$767,104 in recovery funds in response to the November 2018 earthquake.

Statewide Projects Program

- Alaska Works Partnership Inc. - Helmets to Hardhats.
- Alaska Coalition on Housing and Homelessness
- The FY21 funding amount was \$450,000

MS. DEAN highlighted that the Helmets to Hardhats program is designed to help veterans. The Coalition on Housing and Homelessness focus is on at-risk youth.

[9:53:25 AM](#)

MS. DEAN presented slide 4, Apprenticeship, which read:

The American Apprenticeship Initiative (AAI)

- Grant funds are used to expand healthcare sponsorship and provide pre-apprenticeship training funds.
- To date Apprenticeship Specialists have signed over 90 healthcare sponsors and registered over 650 apprentices in 17 healthcare occupations.
- Total grant award \$2,999,999.

The State Apprenticeship Expansion (SAE)

- The grant focus is to support integrated, statewide apprenticeship strategies and state capacity to engage industry and meet demand for new programs in both traditional industries.

Total grant award \$1,867,586.

Apprenticeship State Expansion (ASE)

- The purpose of this grant is to integrate construction Registered Apprenticeship Programs (RAP) into the state workforce development system.
- Total grant award is \$1,000,000.

MS. DEAN reviewed the three apprenticeship programs AWIB administers: AAI, SAE, and ASE.

[9:54:43 AM](#)

SENATOR HUGHES asked about the National Emergency Dislocated Worker Program related to the earthquake. She asked whether there any grant funds for workers affected by the pandemic and government requirements [under the disaster declarations.]

MS. DEAN answered no. There are grant opportunities for states to apply for retraining but there have not been any national emergency grants.

[9:55:46 AM](#)

SENATOR HUGHES asked whether the state is applying for grants for those who were impacted by the pandemic, suffered job losses and need retraining.

[9:55:59 AM](#)

MS. DEAN answered yes. She said she applied for an apprenticeship grant that will help people affected by COVID, who need retraining and are out of work. If the department receives it the start date is July 1, 2021.

MS. DEAN showed a map of Regional Training Centers on slide 5.

MS. DEAN stated that anyone can go to the 12 job centers for referrals and for training. For areas with no physical location services are performed via teleconference and video. She highlighted that job centers are currently closed to the public because of COVID but the department is working to reopen them.

[9:58:01 AM](#)

SENATOR BEGICH tallied a total of \$42.5 million for the annual grant program amount. He said it seems substantive. He asked how many individuals access those grant funds.

[9:58:44 AM](#)

MS. DEAN offered to provide that information to the committee.

SENATOR BEGICH said he was just curious.

[9:59:19 AM](#)

MS. DEAN showed a map of the regional training centers on slide 6, which listed the centers as follows:

1. Alaska Technical Center
2. AVTEC
3. Delta Career Advancement Center
4. Fairbanks Pipeline Training Center
5. Galena Interior Learning Academy
6. NACTEC - Northwestern Alaska Career and Technical Center
7. North Slope Training and Education Cooperative
8. SAVEC - Southwest Alaska Vocational Education Center

9. SE Alaska Career Center
 - UA Workforce Programs
10. Yuut Elitnaurviat - Peoples Learning Center

She directed attention to the red dots that show the satellite locations of the University of Alaska Workforce programs.

MS. DEAN showed a pie chart on slide 7 that showed the percentage and amount of FY 21 AWIB Training Grants

[10:00:55 AM](#)

MS. DEAN displayed slide 8, Alaska Vocational Technical Education Center (AVTEC) at a Glance, which read:

[Original Punctuation provided.]

- A division of the DOLWD.
- Provides postsecondary CTE (vocational education) since 1969.
- Employer driven.
- Relevant training for Alaska jobs.
- Five year average, over 90% student completion.
- 90% placement and employment.
- Ranked in top 1% nation wide for best return on investment.

MS DEAN said AVTEC is located in Seward. It has provided vocational education training since 1969. The program is employer driven and has a 90 percent completion rate over a five-year average, with 90 percent job placement. She reported that AVTEC was just ranked in the top 1 percent nationwide for the best return on investment.

[10:02:01 AM](#)

CHAIR HOLLAND shared that he was fortunate to go to AVTEC for a U.S. Coast Guard visit. He used a simulator to try to dock a cargo ship.

[10:02:24 AM](#)

SENATOR HUGHES commended AVTEC on doing a great job. She asked whether there is room for improvement in the other nine training centers.

MS. DEAN offered to provide a report that shows completion rates. She stated that AVTEC is the leader in outcomes.

CHAIR HOLLAND commented that it was hard to compare other programs to AVTEC.

10:03:08 AM

SENATOR HUGHES offered her belief that AVTEC is probably the "gold standard" based on these statistics. She asked whether there was any way to discover the keys to AVTEC's success and replicate them in other training centers in the state.

MS. DEAN stated that AVTEC has been doing this a long time. One of the main reasons for success is its involvement and connection to the community and employers. She stated that AVTEC is able to meet employer needs. Other vocational centers in the state are also excellent, she said.

10:04:23 AM

SENATOR HUGHES offered her belief that it would be a good project to identify best practices used at AVTEC and apply them to other training centers. She urged DOLWD to consider this.

10:04:56 AM

SENATOR MICCICHE stated that AVTEC is in his district. He offered his belief that a lot of AVTEC's success is their partnership with industries. AVTEC trains people for real jobs. For example, when large ships were being brought to Seward, the community considered numerous maritime academies but the training was available in Seward. He characterized what AVTEC can do as phenomenal. He said the key to AVTEC's success is that it works with the construction industry to identify the necessary skills. He recalled that UA has had similar success with some of their technical programs. He was not sure if the department conducts a survey periodically to figure out the curriculum. It seems that is what happens at AVTEC. He asked if he was capturing that accurately.

10:06:38 AM

MS. DEAN answered that he did. She explained that AVTEC works with other industries to provide training and apprenticeship programs needed in state. One area AVTEC is working on is developing an information technology program.

10:07:17 AM

SENATOR HUGHES commented that the reason AVTEC is so successful seems to be due to its partnerships with industry. She asked whether part of the criteria for grantees is that they partner with industry to develop the curriculum.

10:07:55 AM

MS. DEAN explained when training providers apply for grant funding, AWIB's review panel considers whether the grant is in line with AWIB's priorities. She highlighted that AWIB has several training plans for health care, maritime, mining, career and technical education and other industries. She said applicants were made aware of the state's training priorities.

10:09:26 AM

There being no further business to come before the committee, Chair Holland adjourned the Senate Education Standing Committee meeting at 10:09 a.m.